

Federal Energy Regulatory Commission Strategic Plan FY 2002 - FY 2007

Vision

Dependable, affordable energy through sustained competitive markets

Mission

The Federal Energy Regulatory Commission regulates and oversees energy industries in the economic and environmental interest of the American public.

Goals and Objectives

Goal 1: Promote a Secure, High-Quality, Environmentally Responsible Infrastructure through Consistent Policies.

Objective 1.1: Expedite Appropriate Infrastructure Development to Ensure Sufficient Energy Supplies.

- Identify transmission and pipeline projects with high public interest benefits and facilitate their speedy completion.
- Standardize interconnection of power generation plants of all sizes and technologies.
- Strengthen inter-agency coordination of hydropower licenses and gas pipeline certificates to expedite processing, consistent with due process.

Objective 1.2: Provide Clarity of Cost Recovery to Infrastructure Investors.

- Establish a timely process to include prudently incurred expansion costs in transmission and pipeline rates.
- Ensure that revenue levels and rate design for regulated company services support long-term competitive markets.
- Welcome balanced innovative rate of return proposals that incent pro-competitive behavior and publicly beneficial projects.

Objective 1.3: Address Landowner and Environmental Concerns.

- Encourage collaboration among affected parties and address stakeholder concerns before the licensing/certification process.
- Incorporate reasonable environmental conditions into permits, licenses and certificates and ensure compliance with conditions.

Objective 1.4: Promote Measures to Improve the Security and Safety of the Energy Infrastructure.

- Work with other agencies and parties to identify and address security issues and needs.
- Support industry efforts to improve infrastructure security.
- Ensure strictest adherence to prudent dam safety practices.
- Facilitate prompt recovery of prudently incurred security and safety expenses in jurisdictional rates.

Goal 2: Foster Nationwide Competitive Energy Markets as a Substitute for Traditional Regulation.

Objective 2.1: Advance Competitive Market Institutions Across the Entire Country.

- Complete firm establishment of regional transmission organizations with clear responsibilities, independence and scope.
- Develop appropriate coordination with states to efficiently oversee regional power markets.
- Encourage balanced, industry-led organizations to develop reliability and business practice standards.
- Firmly establish transmission planning function on a regional basis, with a variety of technology solutions to meet reliability, security and market needs.
- Provide regulatory certainty through clear market rules and case-specific decisions.

Objective 2.2: Establish Balanced, Self-Enforcing Market Rules.

- Link market-based rate authority to continued presence of balanced market conditions.
- Rely on international best practices to develop comprehensive market protocols/rules.
- Establish robust programs for customer demand-side participation in energy markets.
- Encourage standardized business rules and practices to maximize market efficiency, ease market entry and reduce transactions costs.

Goal 3: Protect Customers and Market Participants through Vigilant and Fair Oversight of the Transitioning Energy Markets.

Objective 3.1: Promote Understanding of Energy Market Operations and Technologies.

- Develop and maintain an expert market-operation oversight and investigation capability.
- Keep abreast of industry and market trends and technological innovations to inform and guide market oversight.
- Enhance the Commission's deliberations and public discussion by developing market information and disseminating findings.

Objective 3.2: Assure Pro-Competitive Market Structure and Operations.

- Assess market conditions and infrastructure adequacy using objective benchmarks.
- Integrate the Commission's market oversight and the work of market monitoring units.
- Identify and remedy problems with market structure and operations, and periodically review market rules for consistency with long-term market development.
- Ensure that mergers and consolidations are consistent with pro-competitive goals.

Objective 3.3: Remedy Individual Market Participant Behavior as Needed to Ensure Just and Reasonable Market Outcomes.

- Investigate market dysfunctions, exercises of market power and rule violations, and remedy problems through Commission authority.
- Use expedited dispute resolution to accelerate processes and minimize customer expense.
- Act swiftly on third-party complaints, using litigation before Administrative Law Judges as needed to determine factual issues.

Goal 4: Strategically Manage Agency Resources.

Objective 4.1: Manage Human Capital to Fulfill the Strategic Plan.

- Apply workforce planning to help meet the challenges of new Commission roles and changing workforce demographics.
- Get the job done flexibly and efficiently with the right mix of internal workforce and contracted services from the private sector.

Objective 4.2: Manage Information Technology to Best Serve the Public and Streamline Work Processes.

- Expedite interactions with customers through secure and efficient e-government initiatives.
- Build effective electronic workload/time-management and case-processing systems to enable getting the work done right and on time.

Objective 4.3: Clearly Communicate and Build Strong Partnerships with all Stakeholders.

- Proactively reach out to groups affected by agency actions for advance input.
- Build strong partnerships with all stakeholders, especially with states.

Objective 4.4: Strategically Manage Financial and Logistical Resources.

- Integrate budget, business plan, and performance measurement to improve performance and accountability.
- Generate accurate and timely financial information to support operating, budget, and policy decisions.